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January 28, 2009

VIA ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: WC Docket No. 09-6

Dear Ms. Dortch:

Pursuant to the Commission's ECFS filing system, the Revised Application in this matter is being filed. The Revised Application addresses certain clarifications requested by FCC Staff. The Revised Application does the following:

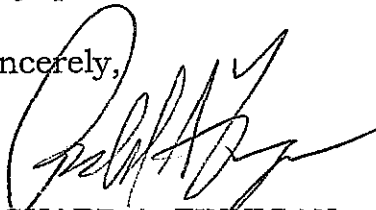
- Removes an erroneous reference to a stock transaction (§8). This is an asset transaction, not a stock transaction.
- Clarifies unambiguously that Eagle is an incumbent local exchange carrier (§7).
- Clarifies the statements to demonstrate that this transaction qualifies under the Commission's streamlining rule, 47 C.F.R. § 63.03(b)(2)(iii) (§8).
- Provides a demonstration as to the customer benefit and clarifies that the customers have been notified, both in writing and verbally, concerning the transaction (§12).
- Explains that the territory is transferred from one exchange into a separate exchange and therefore a change in customer numbers is required (§12).
- Identifies the distribution of customers with 21 customers in Oregon and 1 in Idaho (§6).

Marlene H. Dortch
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- Provides the appropriate form of declaration from officers of Eagle and Midvale.

Please let me know if you have any questions.

Sincerely,



RICHARD A. FINNIGAN

RAF/km
Enclosure

cc: Clients (via e-mail)
Jodi May (via e-mail)
Melissa Kinkel (via e-mail)
Rodney McDonald (via e-mail)
Dennis Johnson (via e-mail)

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

Application of

Midvale Telephone Exchange, Incorporated,

Transferor,

and

Eagle Telephone System, Inc.,

Transferee,

For Consent for Transfer of Control

WC Docket No. 09-6

REVISED

APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL

Pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C. § 214, and Section 63.04 of the Commission's rules, 47 C.F.R. § 63.04, Midvale Telephone Exchange, Incorporated ("Midvale") (the "Transferor") and Eagle Telephone System, Inc. ("Eagle") (the "Transferee"), with Midvale and Eagle together constituting the "Applicants" hereby file this Application. Midvale and Eagle hereby apply for Commission consent to transfer control of that certain service area known as Conner Creek, which is described more fully on Exhibit 1, attached hereto and incorporated herein by this reference.

The proposed transaction contemplates acquisition of the customer base and outside plant used to provide service in the Conner Creek area. Midvale currently serves fewer than two percent (2%) of the nation's access lines. With the acquisition, Eagle will

also serve fewer than two percent (2%) of the nation's access lines. After the transaction, Midvale will provide telecommunications service in the Harper and Juntura exchanges in Oregon located at least 50 airline miles from Eagle's service area and much further by highway miles and are not adjacent to Eagle's service area. In addition, Midvale provides service in the State of Idaho in areas not adjacent to Eagle's service area in the Midvale exchange. Eagle provides local exchange, and exchange access within the Eagle service area located in northeast Oregon. Service to customers in the Conner Creek area will be provided at substantially the same rates, terms and conditions as are in effect today. Therefore, the proposed transaction will be largely transparent to existing customers. For these reasons, and for the reasons detailed below, the transaction will serve the public interest and the Commission should grant this Application on a streamlined basis.

In accordance with the requirements of Section 63.04 of the Commission's rules, the Applicants provide the following information:

- (1) Name, address, and telephone number of each applicant.

Transferor:

Midvale Telephone Exchange, Incorporated
PO Box 10
Midvale, ID 83645
(208) 355-2211

Transferee:

Eagle Telephone System, Inc.
349 1st Street
Richland, OR 97870
(541) 893-6111

- (2) State under the laws of which each applicant is organized.

Midvale is a corporation organized under the laws of the State of Idaho.

Eagle is a corporation organized under the laws of the State of Oregon.

- (3) Legal counsel to whom correspondence concerning the application is to be addressed.

For Transferor:

Richard A. Finnigan
2112 Black Lake Blvd SW
Olympia, WA 98512
(360) 956-7001

For Transferee:

Richard A. Finnigan
2112 Black Lake Blvd SW
Olympia, WA 98512
(360) 956-7001

- (4) Name, address, citizenship, and principal business of entities that own at least 10 percent of the equity of the applicants (to the nearest 1 percent).

For Transferor:

Mr. Lane Williams owns 50 percent of the equity of Midvale. Mr. Williams is involved in the management of Midvale at the address set forth above for Midvale. Mr. Williams is a citizen of the United States of America.

The remaining 50 percent equity is held by the Estate of Shirley Archer. The beneficiaries of the estate are all United States citizens.

No other person or entity owns a 10 percent or more direct or indirect interest in Midvale.

For Transferee:

Mr. Robert Lattin owns 94 percent of the equity of Eagle. Mr. Lattin is involved in the management of Eagle at the address for Eagle set forth above and is a citizen of the United States of America. No other person has a 10 percent or more direct or indirect interest in Eagle.

- (5) Certification pursuant to Sections 1.2001 through 1.2003 that no party to the application is subject to a denial of Federal benefits.

By their signatures below, the Applicants certify that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

- (6) Description of the transaction.

On July 13, 2007, Eagle and Midvale entered into a Purchase and Sale Agreement under which Eagle would acquire the entire customer base and all outside plant in the Conner Creek area. There are currently 22 customers in the Conner Creek area. Twenty one of these customers are in Oregon, one is in Idaho. Eagle plans to build new, state-of-the-art outside plant facilities to serve the Conner Creek area.

- (7) Description of the geographic areas in which the Transferor and Transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area.

Midvale provides local exchange, exchange access, broadband Internet access and other advanced services in the Harper and Juntura wire centers located in Oregon and the Midvale wire center located in Idaho. Midvale is a rural incumbent local exchange carrier. Midvale serves approximately 3,050 access lines as of September 30, 2008.

Eagle provides local exchange, exchange access, broadband Internet access and other advanced services in the Richland wire center located in the northeast

portion of the State of Oregon as a rural incumbent local exchange carrier. Eagle serves 456 access lines as of September 30, 2008.

- (8) Statement on how the application fits into one or more of the presumptive streamlined categories or why it is otherwise appropriate for streamlined treatment.

This application is eligible for presumptive streamlined treatment under Section 63.03(b)(2)(iii) of the Commission's rules, or in the alternative, is otherwise appropriate for streamlined treatment.

Under Section 63.03(b)(2)(iii), the Commission's streamlined procedures are presumed to apply where "a proposed transaction would result in a transferee having a market share in the interstate, intraexchange market of less than 10 percent, and the transferee would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction" and "the applicants are incumbent independent local exchange carriers ... that have, in combination, fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas."¹ Midvale is an incumbent local exchange carrier which serves fewer than two (2) percent of the nation's subscriber lines. Upon completion of this transaction, Eagle is and will continue to be an incumbent local exchange carrier serving fewer than two (2) percent of the nation's subscriber lines. Further, in combination, Midvale and Eagle, both before and after completion of this transaction, have fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide. In addition, since there are no overlapping service areas and no adjacent service territories, the proposed transaction accordingly falls within the presumptively streamlined category. Finally, Eagle, as the Transferee, will, after the

¹ 47 C.F.R. § 63.03(b)(2)(iii).

completion of the transaction, have a market share in the interstate, interexchange market of less than ten percent. Eagle does not provide competitive telephone exchange service or exchange access service and thus, Eagle, as Transferee, can state that it would provide competitive telephone exchange service or exchange access service (if at all) exclusively in the geographic areas served by a dominant local exchange carrier that is not a party to the transaction.

Alternatively, streamlined treatment is appropriate under the Commission's "case-by-case approach."² Indeed, the Commission has adopted a "general rule in which all applications are eligible for streamlined processing," finding that such general eligibility for streamlined processing "best reduces regulatory burdens on domestic telecommunications carriers, while at the same time ensuring that we continue to serve the public interest under section 214 of the Communications Act."³

This application should be subject to streamlined processing because it involves only a transfer of equity interests, and presents no "novel questions of fact, law, or policy which cannot be resolved under outstanding precedents and guidelines."⁴ As noted above (and discussed more fully below), this application presents no competitive or public interest concerns. Upon completion of the proposed transactions, Midvale will continue to provide service at substantially the same rates, terms and conditions as are in effect today. No customer will lose service or be adversely affected as a result of the proposed transaction. Because this transaction poses no competitive concerns and raises no novel issues, this application is appropriate for streamlined treatment.

² *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, Report and Order, 17 FCC Rcd 5517 ¶34 (2002) ("*Streamlining Order*"); see also 47 C.F.R. § 63.03(a) (permitting streamlining "[u]pon determination ... that the application is appropriate for streamlined treatment").

³ *Streamlining Order* ¶34.

⁴ *Id.* ¶28.

- (9) Identification of all other Commission applications related to the same transaction.

Midvale filed a Section 63.17 Application to discontinue service.

- (10) Statement whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure.

The Applicants are not requesting special consideration of the application.

- (11) Identification of any separately filed waiver requests being sought in conjunction with the transaction.

The Applicants are seeking a study area waiver to conform their service areas for universal service purposes with the provisions that accompany the exchange of this property. The study area waiver is filed as Joint Petition for Expedited Waiver and was filed on October 27, 2008.

- (12) A statement showing how grant of the application will serve the public interest, convenience, and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets.

The Conner Creek area is located some distance from Midvale's other operations. It is an area that is much closer to Eagle's existing service area than it is to the rest of Midvale's service area. As a result, customer service restoration is more difficult for Midvale to accomplish than for Eagle. In addition, it is difficult given the distance from Midvale to provide advanced services to this area. Eagle is able to provide broadband Internet access to this area.

In contrast to the substantial potential benefits, the proposed transaction poses no countervailing harms. Upon consummation of the proposed transaction, Eagle will provide service at substantially the same rates, terms and conditions as are in effect today. There will be no reduction, impairment, or discontinuance of service to any customer as a result of the proposed transaction. The cut-over of service will be seamless with no interruption or disruption of service. After cut-over, the customers will have access to broadband services they do not have access to today. The customers are

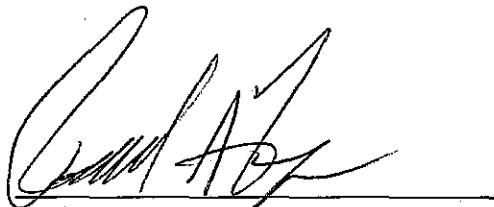
required to change their number to reflect the inclusion of the Conner Creek area within the Richland exchange, because the Conner Creek area is being transferred out of, and will no longer be a part of, Midvale's exchange. Each of the customers has been notified in writing and contacted directly either in person or by phone and the benefits of the transaction have been explained to the customers. The customers have voiced a willingness to be assigned a new number. Because of this, the proposed transaction will be largely transparent to the current customers.

For all of the foregoing reasons, the proposed transaction will serve the public interest and this application should be granted on a streamlined basis.

Payment in the amount of \$965.00, along with FCC Form 159, was transmitted to the Federal Communications Commission, Wireline Competition Services CPD214Appls., P.O. Box 358145, Pittsburgh, PA 15251-5145 for delivery with the original filing.

This Revised Application is filed through the Commission's ECFS system. Please contact the undersigned with any inquiries concerning this Revised Application.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Richard A. Finnigan', is written over a horizontal line.

Richard A. Finnigan
Attorney for Midvale Telephone Exchange,
Incorporated and Eagle Telephone System,
Inc.

Dated: January 28, 2009

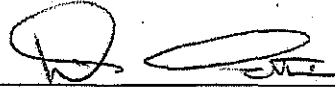
[Please see attached certifications of Midvale and Eagle which are incorporated herein by this reference.]

DECLARATION OF MIKE LATTIN

I, Mike Lattin, Manager/Vice President for Eagle Telephone System, Inc., do hereby declare under penalty of perjury that I have read the foregoing "APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL," and the information contained therein is true and accurate to the best of my knowledge, information, and belief.

1-21-09

Date



Mike Lattin

DECLARATION OF STEVE CHILD

I, Steve Child, Chief Executive Officer for Midvale Telephone Exchange, Incorporated, do hereby declare under penalty of perjury that I have read the foregoing "APPLICATION FOR CONSENT FOR TRANSFER OF CONTROL," and the information contained therein is true and accurate to the best of my knowledge, information, and belief.

1-21-2009

Date



Steve Child